Krasny Defence Technologies Limited

Confidential Information Memorandum

January 2026

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KRASNY DEFENCE TECHNOLOGIES LTD

Confidentiality and Liability

- The information contained in this document (hereinafter referred to as “Confidential Information Memorandum” or “CIM” or “Report”) is confidential, and the use thereof is governed by the terms and conditions, including without limitation, the choice of law and legal venue clauses, set forth in the Confidentiality Agreement previously executed by you (the “Confidentiality Agreement” or the “Non-Disclosure Agreement” or the “NDA”). By accepting the delivery of this Report, you acknowledge and agree that all the information contained herein is subject to the Confidentiality Agreement. It is the objective that this Report shall serve only as background information for purposes of promoting further discussions and negotiations regarding a possible acquisition of the Company (as defined in the Confidentiality Agreement). The recipient of this Report pledges to use the information it contains to this end only.

- The information contained herein is preliminary, and the CIM does not purport to contain all information that a potential buyer or financier may desire or otherwise to be all-inclusive. In all cases, interest parties should conduct their own investigation and analysis of the Company. The CIM has been drawn up on the basis of information received from the Company as well as other sources. In this connection, SMC Capitals Limited (the “Advisor”) have endeavored to present a description of the Company that is as accurate as possible. This notwithstanding, the Advisor does declare that it bears no liability for any errors or discrepancies that may arise in the Report, or other information – verbal or written – that it has received from any party with a potential interest in the Company, as well as the consequences that the application of such information may occasion.

- Neither this Report nor its delivery to any potential investor shall constitute an offer or invitation to provide financing the Company or any form of commitment on the part of the Advisor or the shareholders of the Company to proceed with any transaction relating to the Company, nor will either of these constitute the basis of any contract or the terms under which financing in connection therewith may be provided. The shareholders of the Company reserve the right to amend or replace the Report at any time and undertake no obligation to provide you with access to any additional information. Although the shareholders of the Company may provide additional information to interested parties concerning the Company, the shareholders of the Company shall not be obligated to update or correct the information set forth in the Report or to provide any additional information.

- The receiver of this Report is requested to draw up an independent assessment of all key facts that are presented in this Report. Neither the delivery of this Report nor the financing to the Company shall, under any circumstances, create any implication that there has been no change in relation to the Company since the date hereof. Nothing in this Report is, or should be relied upon as, a promise or representation concerning the future. The Advisor and shareholders of the Company shall have the right to discontinue negotiations regarding the transaction at any time and without any specific reason. The Advisor and the shareholders of the Company are not obliged to accept the offer.

- Neither the shareholders of the Company nor any of its employees provide any representation or warranty, expressed or implied, with respect to the accuracy or completeness of the information provided. The shareholders of the Company shall be liable for such representations and warranties, if any, only as expressly provided in the agreement to be entered into by and between the shareholders of the Company and the financier/investor of the Company.

- The present document has been finalized on February 7, 2026. Any events or circumstances occurred following that date are not reflected in the considerations herein presented..

Note: Your receipt and review of these materials is in pursuant to the terms and conditions of the Confidentiality Agreement.

Proposed Opportunity

Established Defence Sector Company in Western India

Introduction	▪ The owners of Krasny Defence Technologies Limited ("Krasny" or the "Company") have appointed SMC Capitals as the financial advisor to assist the Company in the proposed transaction. ▪ This document is prepared to provide relevant background information about the Company and the proposed opportunity to potential investors
KRASNY DEFENCE TECHNOLOGIES LTD	▪ The company is a Tier I supplier to the Indian MoD, a leader in defence lifecycle support, technical maintenance services and logistics support for the Indian Navy and Coast Guard ▪ Services includes shipbuilding exports, lifecycle support, ship refits, R&D, and indigenous manufacturing of major systems
Transaction Overview	▪ The owners are raising funds upto INR 150 Cr. via debt for planned capacity expansion, order fulfilment purposes and high growth of business ▪ The Company has a robust contracted order book and visible and healthy pipeline necessitating incremental working capital
Structured Credit Rationale	▪ Krasny has deep relationships with Indian Navy, Coast Guard, and defence agencies, with several stakeholders associated for over 25 years strategically positioning itself to benefit across spares, subsystems, refits as well as Make in India ecosystem. ▪ It has strategic JVs with marquee OEMs and long-standing tech partnerships with Russian entities creating a significant moat ▪ Predictable cash flows and high order visibility provide adequate coverage and downside protection for structured credit investors.

If you confirm interest in this opportunity after reading this document and want to know more, please contact:

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SMC Capitals will be the sole point of contact with potential investors. Under no circumstances should any potential investor attempt to establish a contact with the Company's shareholders, managers, employees, customers, suppliers, agents, or bankers without explicit consent from SMC/Translink.

Source - Management Discussion

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Executive Summary

KRASNY
DEFENCE TECHNOLOGIES LTD

Krasny Defence – "Integrated Lifecycle Support and Defence Manufacturing"

Established Defence Sector Company in Western India

Key Highlights

30+
Years of Operations

750 Cr+
Signed Order book till Dec 2025

2,250 Cr.+
Confirmed Pipeline

~20%
EBITDA Margins

10+
Locations in India

~350+
Employees

Overview

- Krasny is a leading player in the Indian Marine defence ecosystem being a Tier I supplier to the Indian Ministry of Defence
- The company started its operations in the 90's led by former Indian Naval officers & technocrats with deep expertise in shipbuilding, naval weapons & sensors
- Reputed & long-standing clientele :- (Key Clients & not exhaustive list)
  - **Ministry of Defence, Indian Navy, Indian Coast Guard, DRDO, etc.**
  - **Listed Govt. majors** including HAL, BEL, Mazagaon Dock, Cochin Shipyard, etc.
  - **Listed Private majors** including L&T Shipyard, Swan Defence & Heavy Industries, etc.
- Krasny has strategic JVs with Marquee OEMs & long-standing tech partnerships with Russian entities. It is the authorized representative of various Russian defence manufacturers in India which gives it primacy in after-sales support and sales
- Krasny is key provider in certain specialized service segments, especially for Russian-origin defence equipment support in India. Services verticals includes
  - Russian Shipbuilding Projects
  - Ship Repairs & Refits, Lifecycle support (Russian Systems)
  - R&D and indigenous manufacturing of major systems
  - Make in India Project for defence systems including Radar, Sonar, etc.
- Regulatory approvals include CEMILAC certification for Russian military avionic repairs, along with DGAQA & ISO 9001 approvals

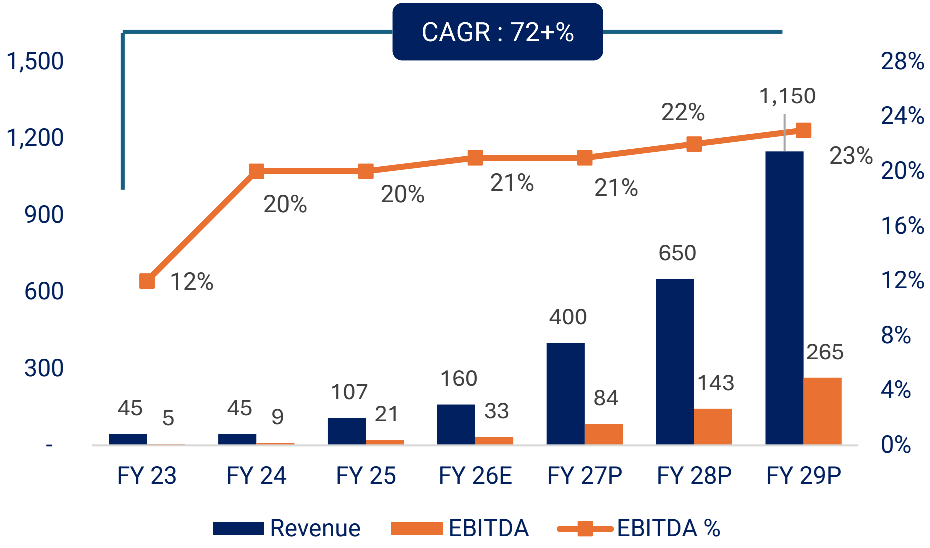
Shareholding pattern : - Krasny is a closely held public limited Company with shareholding
  - Promoter & Family : ~ 86%
  - Other Shareholders : ~ 14% (includes promoters of Aarti Industries Limited)

Source - Management Discussion

Reputed Clientele

OCEAN BLUE®
MOC Shipyards
SADHAV

Financial Overview (in Crores)



KRASNY DEFENCE TECHNOLOGIES LTD

Key Investment Highlights

Ideal opportunity for structured credit

Diversified Business across High Growth Segments

- The Company operates across multiple verticals spanning ship building, life cycle support and manufacturing.
- Naval Defence and ship building segments are government priority high growth areas.

Reputed & Establised Customer base

- Long-standing associations with the Indian Navy, Coast Guard, and other defence institutions, built over more than two decades.
- Demonstrated track record of delivering dependable, cost-effective, and platform-specific solutions in a mission-critical ecosystem.

High Entry barriers through Strategic Alliances & Specialised Technology

- Defence-grade manufacturing capabilities, JVs with Indian OEMs & long-term access to Russian technologies create a strong competitive moat.
- Stringent certification processes & complex & high-end tech requirements substantially restrict new entrants, reinforcing long-term defensibility.

Favourable Industry Dynamics supporting Long-term growth

- A large installed base of Russian-origin defence assets, combined with increasing indigenization mandates, rising naval capital expenditure, and expanding service scope, positions the company to benefit from ongoing demand for spares, subsystems, refits, and new-build support.

Robust Order book & Pipeline

- FY26 revenue is expected at INR 160 Cr. underpinned by a robust order book of ~ INR 750 Cr. FY27 revenue are projected to be ~ INR 400 Cr. on confirmed orderbook and execution timelines.
- Single bidder for the confirmed order pipeline of ~INR 2,250 Cr. contracts over the next 4 years.

Experienced Management Team with Deep Domain Experience

- Promoted and propelled by Indian Navy veterans, bringing decades of hands-on experience and deep platform-level understanding.
- The leadership team comprises seasoned technocrats and industry professionals with extensive exposure to shipbuilding and naval systems.

Source - SMC Research, Management Discussion

2 Company Overview

KRASNY DEFENCE TECHNOLOGIES LTD

Corporate Structure

Diversified business operations managed through structured corporate framework

KRASNY DEFENCE TECHNOLOGIES LTD

Krasny Marine Services Private Limited

(100% Indian Subsidiary)

Joint Ventures

Krasny Kamen LLC

(100% Foreign Subsidiary)

Avrora (India) Marine Systems

(Associate Co. - 49%)

Vimal Fire Krasny Defence

(Associate Co - 50%)

Krasny Paras Defence Technologies

(Associate Co – 47.5%)

Keltron Krasny Defence Systems

(51% held by Krasny)

The operations and business execution for doors and hatches, which was previously undertaken by Krasny Paras Defence among the other equipment, is currently undertaken entirely by Krasny.

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Subsidiaries

Key business operations handled through wholly owned subsidiaries

Krasny Marine Services Private Limited

Krasny Marine Services Private Limited

- Ship repairs and refits vertical of Krasny Defence Technologies is managed entirely by Krasny Marine Services Private Limited under the leadership of Mr. Naveen Jayaprakashan
- Services include Indian Coast Guard Refits & DFPR Jobs, Refits/Repairs of Indian Ships & Submarines, rate contracts with Shipyards & Dockyards, Non-destructive testing and other authorized works
- Operations are handled from Kochi, Karwar, Chennai, Pipavav, Vizag, Mumbai and Goa locations

Krasny Kamen LLC

Krasny Kamen LLC

- Krasny Kamen LLC is a wholly-owned Russian subsidiary incorporated in the Advanced Special Economic Zone (ASEZ) of Bolshoi Kamen, Russia.
- The subsidiary was created to facilitate ship building activities undertaken specifically for Russian Zvezda Shipbuilding Complex.
- In December 2023, Krasny secured a **INR 100 crore deal** from **Russia's largest commercial shipbuilding yard, SSK Zvezda**, for electrical outfitting of two Ice-class LNG tankers over a period of 2 years.

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Joint Ventures

Strategic alliances

Avrora (India) Marine Systems Private Limited

- The Joint venture with **Avrora Scientific & Production Association, Russia** has been incorporated in 2001 to provide front line sales and after sales support for the products of Avrora Corporation, in India.
- Presently support is being provided to the Indian Navy for Control Systems, automated information and control system for diesel electric submarines, simulators, training complexes & sensors.

Vimal Fire Krasny Defence Private Limited

- A Joint venture has been incorporated between the two companies in 2022 to combine the expertise of **Vimal Fire Controls Pvt. Ltd.**, a market leader in Fire Fighting & Fire Control Systems and Krasny Defence Technologies Ltd. experienced in Defence & Marine systems.
- The aim of the JV is to provide indigenous solutions onfixed fire detection & suppression systems onboard ships & submarines to the Indian Navy & the Indian Coast Guard.
- The JV also intends to manufacture **Magazine Fire Fighting Systems for ships, under the Make-in-India initiative.**

Krasny Paras Defence Technologies Private Limited

- A joint venture company with **Paras Defence and Space Technologies Ltd.** was incorporated in 2021 to harness the core competencies of both the companies to provide indigenous solutions for Electro-optic devices, Radar & Navigational aids, Command & Control Systems and Hull Structures & Hull Fittings.
- The operations and business execution for doors and hatches, which was previously undertaken by Krasny Paras Defence among the other equipment, is currently undertaken entirely by Krasny.

Keltron Krasny Defence Systems Private Limited

- Kerala State Electronics Development Corporation Ltd. (KELTRON) has expertise in manufacturing electronic products, Control instrumentation, networking, software development, etc. and cater defence applications while Krasny Defence Technologies Ltd. has experience in providing service support to the Indian Navy & the Indian Coast Guard.
- The Joint venture aims at providing products & services to the defence sector in hydro-acoustic as well as electronic and microwave domains.
- The Joint venture shall also act as a subcontractor to Krasny for its Make in India products which includes radars and sonars leveraging Keltron's manufacturing expertise and Krasny's technical expertise.

Source - SMC Research, Management Discussion

KRASNY
DEFENCE TECHNOLOGIES LTD

Journey to Success – Key Milestones

Experienced team led by technocrat promoters and seasoned management with deep sector expertise

1995 - 2000

Foundation & Leadership

- Incorporated in Mumbai under **SEMFEX** scheme
- **First private-sector Coast Guard refit player**
- Pan-India coastal footprint established

2000-2007

Strategic Russian Integration

- JV with **Avrora Corporation** for ship & submarine control systems.
- Rosoboronexport (India) entity created under Presidential decree.
- Approved for end-to-end refits across all ICG vessel classes

2018-19

Manufacturing Scale-Up

- Launch of manufacturing vertical
- Commissioning of advanced (state of art) electronic test facility, Navi Mumbai

2020-22

Platform Deepening & Capital Entry

- **JSC Agat (Russian-State owned naval defence electronics company)** collaboration extended (incl. spares manufacturing)
- Corporate restructuring and pre-IPO investor induction
- Formation of JVs with **Vimal Fire** and **Paras Defence**

2023

Capability Expansion & Product Diversification

- Strategic JV with **Keltron** for **Make In India** Projects
- New JV for marine valves manufacturing
- **Authorized Indian partner** for Russian marine habitability systems
- Local production of composite blowers & systems
- Approved by FS-MTC Russia as **sole Indian private-sector partner for military products**
- **Territorial rights** secured for **Marine STP manufacturing**

2024-2026

Globalization & Program Entry

- Entry into international shipbuilding (Russia) for **one of largest shipbuilders** in Russia – Zvezda Shipbuilding Complex
- Established **Krasny Kamen LLC** – WOS in Russia
- Nominated for major Make in India Projects by **Ministry of Defence**
- **International certifications** for indigenous Products secured (Marine STP, RSU, SFC)
- Indian Navy authorization as OEM for structural products
- **Secured major orders from Indian Navy and Coast Guards**

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Domestic Footprint

Strategic locations across the country

Location	Activities
Navi Mumbai	Corporate Office
Mumbai	**Ship Repair Division** - Wholesome ship refits, Ship Repairs (Hull, Engg, Electrical), Turnkey service support for ship building, Material Fabrication, Robotic Hull Scanning & UTG
Visakhapatnam	Waterfront services, Repairs and Refits of ships, Installation, cable termination and Commissioning of Marine Controls, Robotic Hull Scanning & UTG
Kochi	Refit of ICG Ships, Logistic Support for IN and ICG, Equipment installation & Commissioning
Karwar	Repair & Maintenance of Naval Systems, Logistic support for IN and ICG, Repair of ICG Ships
Goa	Aviation Repairs & Services, Aviation related logistic support, Electronic and Electrical works
Other Branches	Pipavav & Chennai
Pune	R&D Division involved in manufacturing of ship doors, hatches, etc.
Navi Mumbai	Electronic Repairing Division and Design & Manufacturing Division
New Delhi	Liaison Office

Source - SMC Research, Management Discussion

KRASNY
DEFENCE TECHNOLOGIES LTD

Licenses & Registered Vendor to Indian Defence Companies

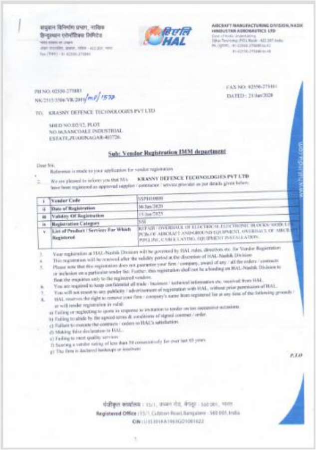
First Indian private company with CEMILAC license for Russian avionic repairs

CEMILAC

DQAQA

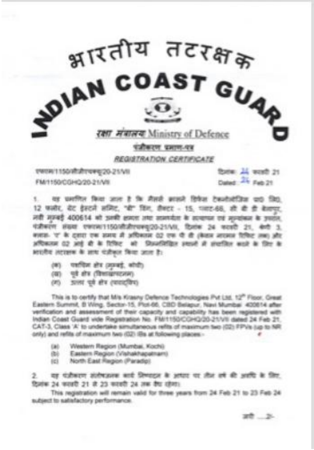
ISO 9001-2015

Goa Shipyard

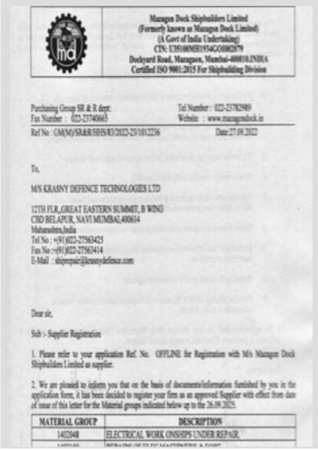


Hindustan Aeronautics

Hindustan Shipyard



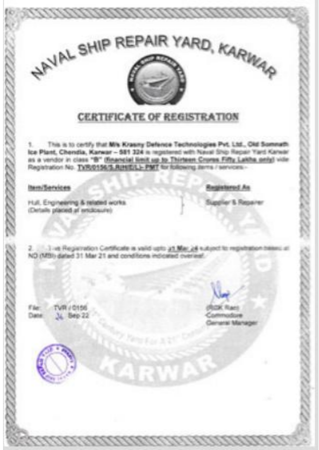
Indian Coast Guard



Mazgaon Dock

Naval Dockyard Mumbai

Naval Dockyard



Naval Ship Repair Yard

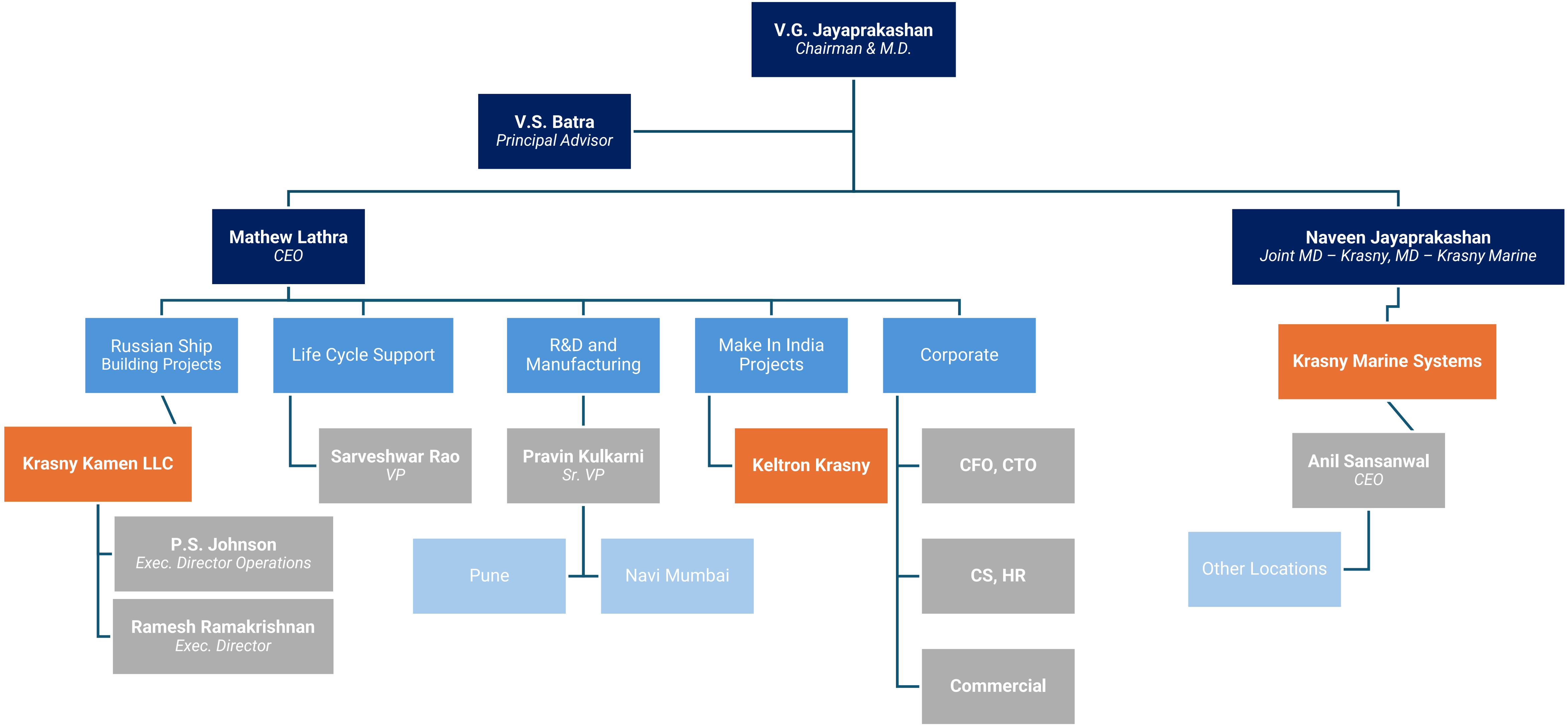
GRSE

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Organization Chart

Experienced team led by technocrat promoters and seasoned management with deep sector expertise



Source - SMC Research, Management Discussion

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KRASNY DEFENCE TECHNOLOGIES LTD

Promoters

Cdr. (Dr.) V.G. Jayaprakasan, IN (Retd.)
Chairman and Managing Director

- A **naval veteran** & part of 1st task force that attacked Karachi Harbour during the 1971 Indo-Pak war.
- He took voluntary retirement while on deputation to Garden Reach Shipbuilders & Engineers and founded Krasny in 1995, introducing the concept of leveraging ex-servicemen's expertise in defence equipment maintenance.
- He has **over 50 years** of experience in the naval defence sector. Under his leadership, Krasny has become a key partner in providing maintenance, logistics, and technical support for the Indian Navy and Coast Guard.
- Cdr. Jayaprakashan has received multiple awards for leadership and contribution, including **Entrepreneur of the Year, Best Implementor of "Make in India" at the Aerospace & Defense Awards (2021), Rajiv Gandhi Excellence Award, International Gold Star Award, etc**.

Mr. Naveen Jayaprakasan
Joint MD – Krasny and MD – Krasny Marine

- Mr. Naveen holds an MBA and MCA from the UK and joined Krasny in 2001 as a management trainee.
- He has **over 20 years** of experience in the defence sector.
- He leads the company's diversification strategy & built JV with industry leaders.
- His efforts have enabled the delivery of indigenous, high-quality defence products to the armed forces.
- He has extensive board roles across the Krasny group and related ventures, with responsibilities spanning strategic direction, operations, and partnership management.
- His career reflects long-term involvement in defence marine services and engineering leadership.

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Experienced Management Team

Commodore M. L. Mathew, NM IN (Retd.)
Chief Executive Officer

- He is a post-graduate qualified specialist in Electrical & Electronics Engineering.
- Has over **36+ years of experience** in System installation, Commissioning and maintenance, Through-life support of complex weapons systems, Onboard naval radars, sonars, and sensors, Airfield systems used in defence operations
- He is recipient of Nao Sena Medal), which is a recognized Indian military decoration awarded for devotion to duty or acts of courage in the Indian Navy
- He has also managed three major dual-use naval airfields, overseeing induction, installation, and maintenance of critical systems and infrastructure

RAdm. V.S. Batra (Retd.)
Principal Advisor

- He is a retired Rear Admiral of the Indian Navy supporting the company in a senior advisory capacity
- He has been awarded CNS (Chief of Naval Staff) Commendation in 1993 and Vishisht Seva Medal (VSM) in 2006
- After retirement from the Indian Navy, he served as Registrar at the Defence Institute of Advanced Technology (DIAT) — a Deemed University under DRDO — until November 2015
- At Krasny, as Principal Advisor, he brings strategic and operational experience from decades in the Indian Navy to support the business in defence life-cycle support, system maintenance, logistics, and naval platform services

Source - SMC Research, Management Discussion

Experienced Management Team

Mr. P. S. Johnson
Executive Director (Operations)

- Mr. Johnson is a naval veteran with 18 years of experience working with Russian-origin weapons, control systems, and navigational equipment used in naval platforms
- Also having exposure to the industry for last 19 years in handling various projects of supply and service nature.
- He is an Electrical Engineer by qualification.

Cdr. Anil Kumar Sansanwal (Retd)
Principal Advisor

- He is a retired Commander (Cdr.) of the Indian Navy with extensive experience in naval and maritime engineering.
- He handled Indian Navy's prestigious Damage Control Simulator and undertook over 125 docking & undocking operations
- His expertise includes ship construction & ship repairs, fire prevention systems & project management in marine environments

Lt Cdr. G Sarveshwar Rao (IN Retd)
Vice President

- He has served in Indian Navy for over a decade as a Lieutenant Commander, specializing in naval operations and systems, most notably with submarine engineering and refit projects.
- After retiring from the Indian Navy he transitioned into the defence industry, leveraging his operational and technical expertise.

Cmde Pravin Kulkarni
Senior Vice President (Projects)

- 35+ years in military Electrical Engineering and IT. Postgrad in Electronics, Telecom, and Finance.
- Inventor of ML-based HDD predictor; LLMs expert; IEEE EMI/EMC.

Senthil Kumar M
Chief Technology Officer

- He is electronics & Communication engineer with over 20 years exp. in electrical, radio & weapon equipment with varied responsibilities - Maintenance, STW & Commissioning
- He was a key member of Quality & Acceptance Trial Team & involved in System design, development & indigenization for Indian Navy.
- He is also an entrepreneur in system designing & indigenization.

Cdr. Ramesh Ramakrishnan, IN (Retd.)
Chief of Representation in Russia

- Naval veteran with 37 years of experience across project management, logistics and maintenance
- Received multiple commendations for devotion to duty during Navy tenure

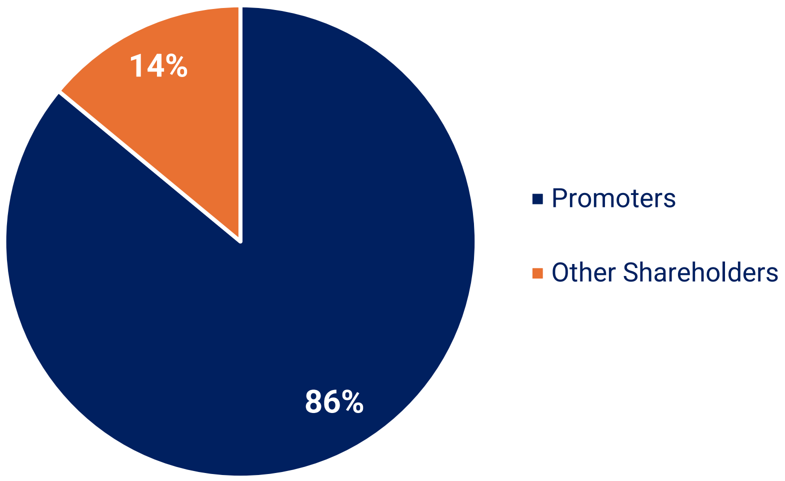
Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Shareholding Structure

Closely held entity professionally managed by the promoters

KRASNY DEFENCE TECHNOLOGIES LTD



Equity Profile

Shareholder	Shares	%
Mr. V.G. Jayaprakasan	82,09,000	71.3%
Mr. Naveen Jayaprakasan	12,30,000	10.7%
Mrs. Sarala Jayaprakasan	4,67,000	4.0%
Other Shareholders (Public)*	16,09,267	14.0%
Total Share Capital	**1,15,15,267**	**100.0%**

Debt Profile

Particulars	Amount in Cr.
OCPS	22
Fund Based	
- Cash Credit/Overdraft facility	5
Non-Fund Based**	
- Bank Guarantees	47

**Includes Promoters of Aarti Industries Limited*

***off balance sheet item*

Source - SMC Research, Management Discussion
Note – Amounts as on Dec 31, 2025

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Business Overview

KRASNY DEFENCE TECHNOLOGIES LTD

Business Verticals

Diversified business verticals with deep domain expertise and advanced technology capabilities

KRASNY DEFENCE TECHNOLOGIES LTD

Ship Building Activities (Russia)

- **Electrical Outfitting**
- **Equipment installation & commissioning** of new-build commercial and defence vessels
- **Cable laying & terminal integration** onboard ships
- **Welding & Structural assembly** for carriers & naval platforms
- **Block Construction** & Modular fabrication at Russian Shipyards

Life Cycle Support

- One of few Private Indian entities authorized to provide Lifecycle Support to Indian Defence for **Russian Origin Military Equipment**
- **Exclusive supplier** of major Russian equipment and spares to the Indian Navy
- Refurbishments/Upgrade of naval systems
- Major Customers is **Indian Navy** through DPRO, WED, etc.
- Assembly by **Russian Scientists & Technicians**

Ship Repairs & Refits

- One of the few Indian Companies registered for all types of Coast Guard Vessels
- Indian Coast Guard Refits & DFPR Jobs
- **Refits/Repairs** of Indian Ships & Submarines through Naval Dockyards/Shipyards.
- Rate Contracts with Shipyards and Dockyards
- **Non-Destructive Testing** including Robotic Hull Scan, AET, etc.

R&D and Manufacturing

- Repair of Russian Electronic Modules
- Turnkey support to OEMs
- Equipment Installation and Commissioning
- Mfg. of Import substitutes as per customer requirements
- Navy nominated OEM for **structural parts (Doors/Hatches)**

Make In India Projects

- Shortlisted by **Ministry of Defence** to participate in major **Make in India Projects including Sonar, Radar**, etc.
- New Ship/Submarine building projects with DPSU Shipyards.
- Other nominated OEMS include Tata Power, L&T, Adani, BEL, Mahindra, etc.
- **Joint Venture** with **Kerela Electronic Manufacturing Division (Keltron)** for manufacturing of Sonars and Radars.

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Business Verticals

Diversified business verticals with deep domain expertise and advanced technology capabilities

A. Russian Shipbuilding Projects

- Electrical Outfitting including Cabling connecterisation, HV Connecterisation, Small Equipment Installation, etc. of new construction vessels
- Hull Block Fabrication & Block Joining
- Blasting & Painting
- Supply of equipment & material and labour
- Executed through Krasny Kamen LLC – Wholly owned Subsidiary

B. Lifecycle Support for Russian Equipment

- Supply of Spare parts for Russia Origin Equipment
  - MPP through **DWE, WEDs**, etc.
  - Dual use items through **DPRO**
- **System and Hull Valves, Marine STPs, RSU sensors, RSU Calibrators, AC-DC Convertors, DC Suppliers, Static Frequency Convertors, etc.**
- Assistance for Installation and Commissioning by Russian Specialists

Marine STPs | Modular Accommodation | RSU Calibrators

Marine Valves | Fire Fighting Systems

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

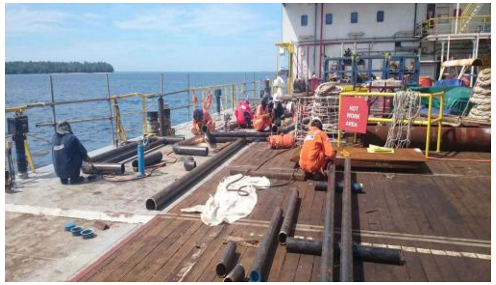
Business Verticals

Diversified business verticals with deep domain expertise and advanced technology capabilities

C. Ship Repairs & Refits

- Demonstrated track record of ship repair and lifecycle support services for the Indian Coast Guard making it a preferred and repeat service provider for ship repair services.
- Indian Coast Guard refits and DFPR Jobs
- Back-to-back tie ups with Shipyard for ICG Refits
- 70+ Refitments completed on or before time





D. R&D and Manufacturing

- Repair of **Russian Electronic Modules** (Electronics repair division)
- Manufacturing of import substitutes as per customer requirement
- Turnkey support to OEMs
- Equipment Installation and Commissioning
- Manufacturing of **ship doors and hatches** at the Pune Facility



Ship Doors and Hatches

Source - SMC Research, Management Discussion

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KRASNY DEFENCE TECHNOLOGIES LTD

Business Verticals

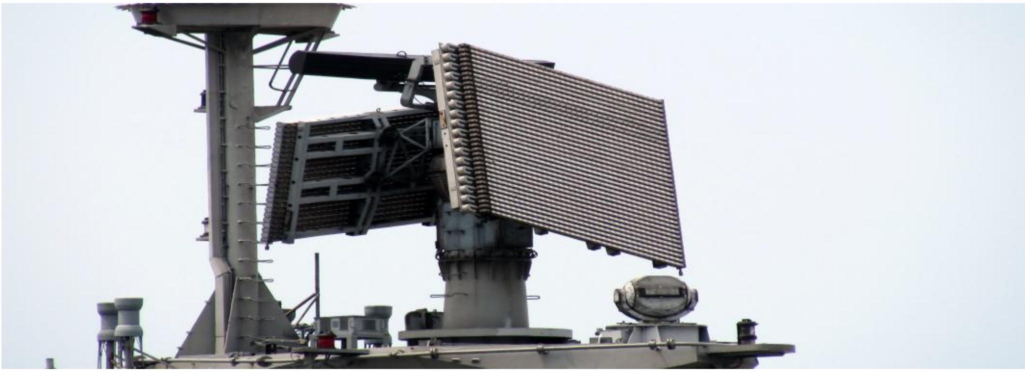
Diversified business verticals with deep domain expertise and advanced technology capabilities

E. Make In India Projects

- Shortlisted by **Ministry of Defence** to participate in majo**r Make in India Projects including Sonar, Radar**, etc.
- New Ship/Submarine building projects with DPSU Shipyards.
- Technology Collaborations with NTRO
- Upgrade of **Fregat M2EM Systems (Krasny is exclusive supplier of Fregat radars to MoD)**
- Manufacturing of Active Towed Array Sonar
- Other nominated OEMS include Tata Power, L&T, Adani, BEL, Mahindra, etc.
- **Joint Venture** with **Kerela Electronic Manufacturing Division (Keltron)** for manufacturing of Sonars and Radars.

KRASNY DEFENCE TECHNOLOGIES LTD

KELTRON Kerala State Electronics Development Corporation Ltd. (A Govt. of Kerala Undertaking)



Fregat M2EM Systems

Active Towed Array Sonar

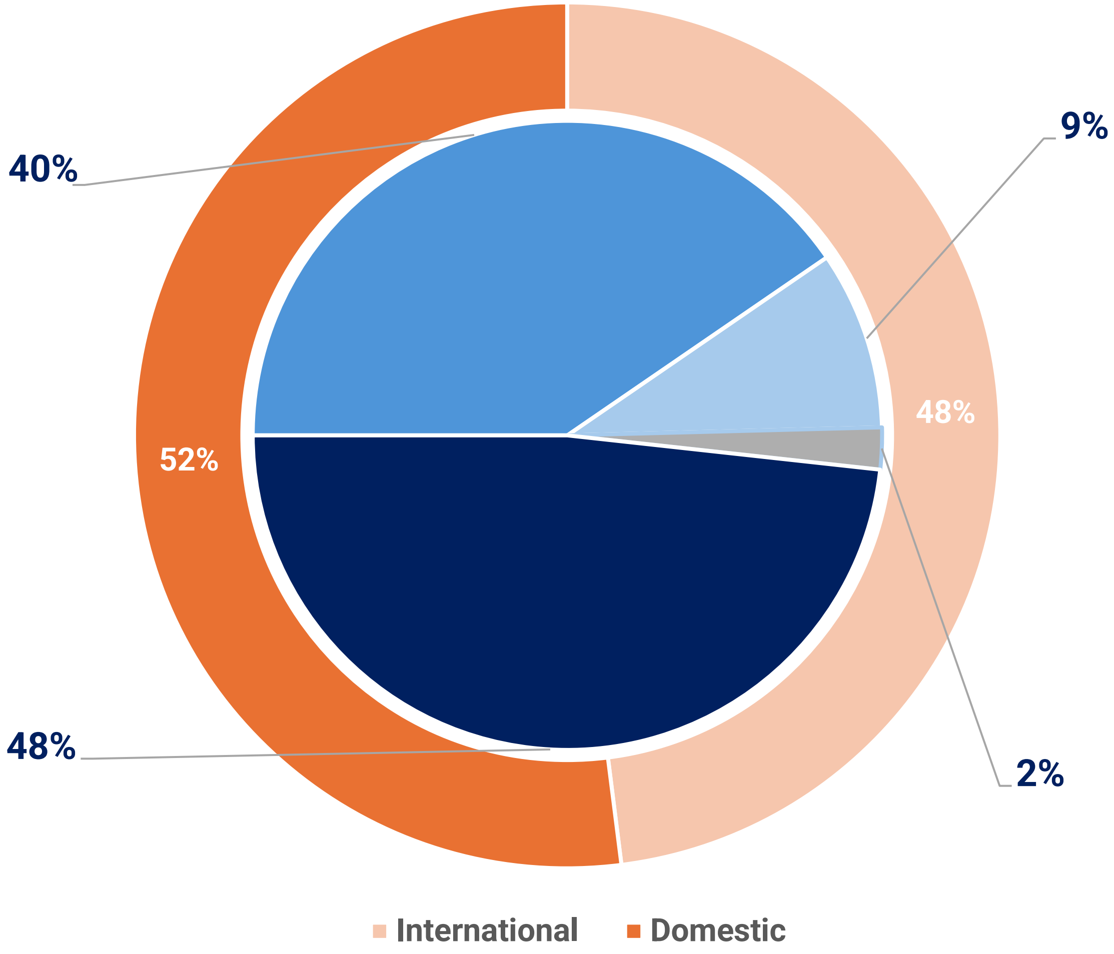
Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Revenue Segmentation (FY 25) – Service / Region Wise

Ship repairs & fits

Russian Ship Building



Life Cycle Support

R&D, Mfg – Doors, hatches, Valves, PCB Repairs etc.

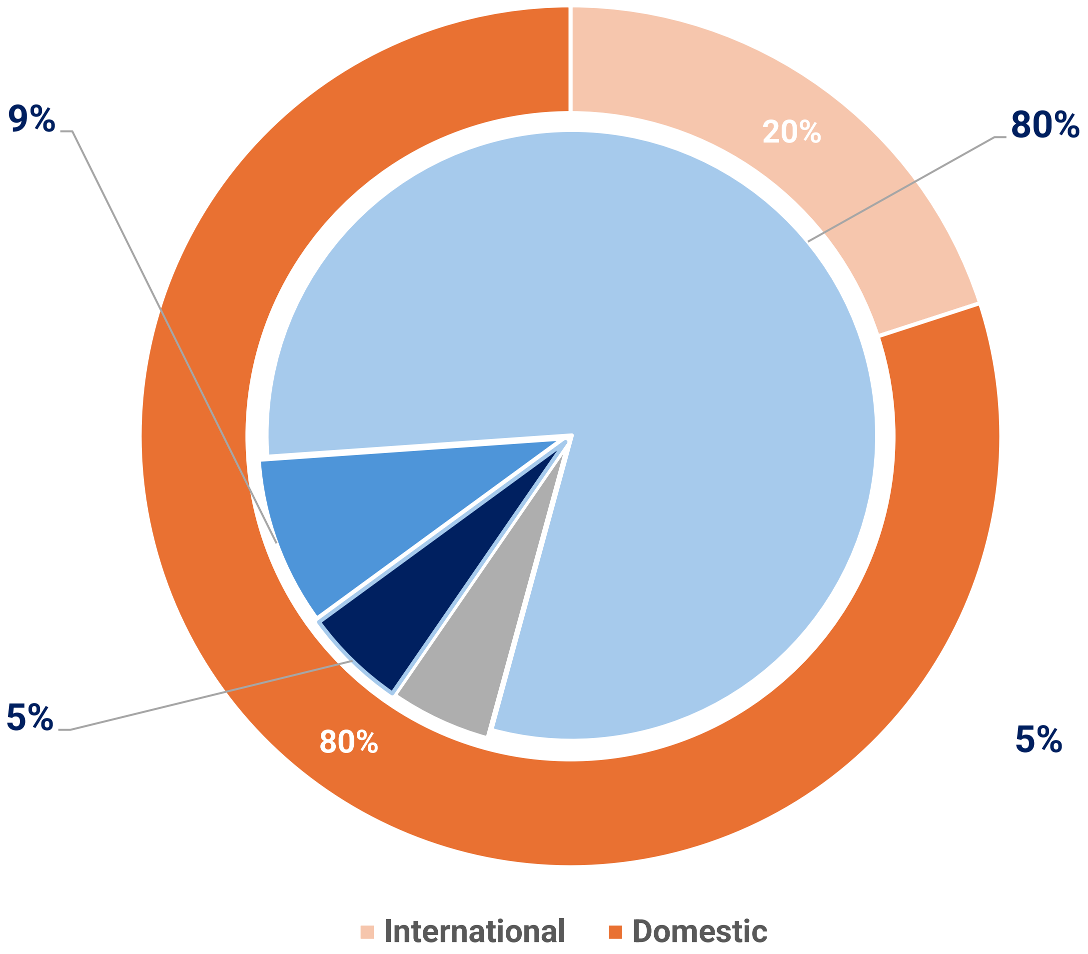
Source - SMC Research, Management Discussion

KRASNY
DEFENCE TECHNOLOGIES LTD

Revenue Segmentation (FY 27P) – Service / Region Wise

Ship repairs & fits

Russian Ship Building



Life Cycle Support

R&D, Mfg – Doors, hatches, Valves, PCB Repairs etc.

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Strategic Alliances and Exclusive Partnerships

Technology access and OEM collaborations through Russian partnerships

Access to core technologies, platform-specific know-how, and OEM collaboration for marine electronics, radar, sonar and control systems

Key Business Partnerships

ROSOBORONEXPORT Russian Defence Export

CONCERN MORINFORMSYSSTEM-AGAT

SHIPBUILDING COMPLEX ZVEZDA

JSC Marine Equipment Engineering Corporation

Sovinkom Ltd.

JSC RADAR MMS

JSC ROSMA

Strategic Moats Driving Competitive Edge

Asset Light, Scualable Manufacturing Platform

-Leverages **proven Russian technologies** with localized JV-led manufacturing to deliver rapid scale across mission-critical naval systems—maintaining a lean cost base and PSU-comparable execution without fixed-asset intensity.

Built-In Credibility with Accelerated Approval Pathways

- Strategic joint ventures with established defence OEMs such as **Avrora, Vimal Fire and Keltron (and Paras previously)** embed immediate credibility into Krasny's operating model. These partnerships provide immediate access to validated designs, certifications and approval pathways—significantly shortening qualification timelines and enabling participation in large-ticket defence programs.

MAKE IN INDIA

Naval Dockyard

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Landmark Achievements & MOAT

Revolutionizing the naval defence ecosystem

A. Private Sector Pioneer in Coast Guard Refits

- Successfully executed 70+ vessel refits, consistently delivered on or ahead of schedule
- Distinct capability to undertake multiple refits concurrently. Achievement of undertaking and delivering 3 refits simultaneously at 3 different locations.
- **Sole private-sector entity currently registered** with the Indian Coast Guard to carry out refits across all major vessel categories, including AOPV, PCV, OPV, FPV, and Charlie-class boats

B. Sole Indian Company involved in Russian Shipbuilding

- Secured first two contracts in October 2023, aggregating ~₹70 crore
- Awarded an additional two contracts in October 2024, valued at ~₹100 crore
- About 220 plus Indian technicians deployed on site
- Active execution underway, covering electrical outfitting and hull fabrication
- Completion timeline:
  - **Oct 2025** – completion of the first two contracts
  - **Sep 2026** – completion of the subsequent two contracts

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Landmark Achievements & MOAT

Revolutionizing the naval defence ecosystem

C. A Cornerstone of Indo-Russian Military-Technical Cooperation

- In-depth understanding of Russian Military Industry & Processes
- **First Indian Private Enterprise** to form Joint Ventures with leading Russian Military OEMs
- Authorized Representatives of major defence OEMs in India
- **Technology collaboration arrangements** in place with **JSC Rosoboronexport** and **prominent Russian OEMs** for key **Make-in-India** projects

D. In Fray with Industry Leaders – Major System Integrator in Make in India Defence Programs

- Selected by the Ministry of Defence for **limited-tender participation in large-scale defence equipment indigenization programs**
- Selected by **MoD** for sonar indigenization initiatives, alongside leading industry players including BEL, L&T, Adani Defence, Tata Group, and Mahindra Defence
- Shortlisted by NTRO for strategic projects
- **Transfer of Technology from Russia** for mission critical technologies
- Manufacturing on JV platforms with core competence and expertise

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Landmark Achievements & MOAT

Revolutionizing the naval defence ecosystem

E. Marine Wastewater (Sewage) Treatment System

- **First fully automated** marine sewage treatment system (M-STP) with **>90%** indigenous content
- Designed for durability, long service life and high reliability in marine and offshore operating environments.
- Advanced electrolytic treatment technology for both black water and grey water, generating sodium hypochlorite and mixed oxidant radicals
- Applicable across retrofit installations and new vessel builds
- **Compact, combat-ready design** to address stringent onboard space constraints
- Modular capacity range from **~1,780 L/day to ~55,400 L/day**, with scalability to support higher throughput requirements

F. Import Substitutes & Indigenous Development

- Reverse engineering and re-engineering of form-fit-function equipment to replace imported systems
- Project execution driven by end-user requirements (Indian Navy–specific specifications)
- **Dedicated in-house R&D team** and domain specialists to translate operational needs into deployable solutions
- Active development of systems aligned with the MoD Negative Import List
- **Collaboration with shipyards** and ecosystem partners to progressively enhance indigenous content in new programs

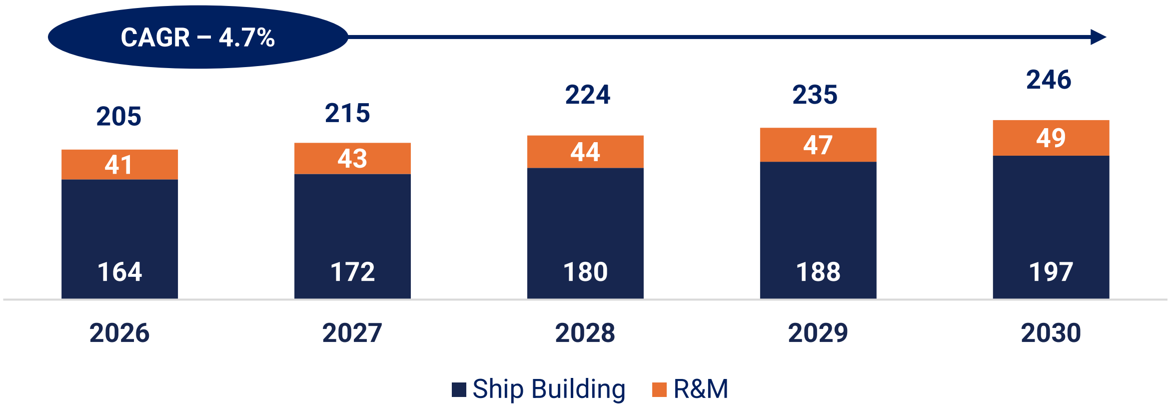
Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

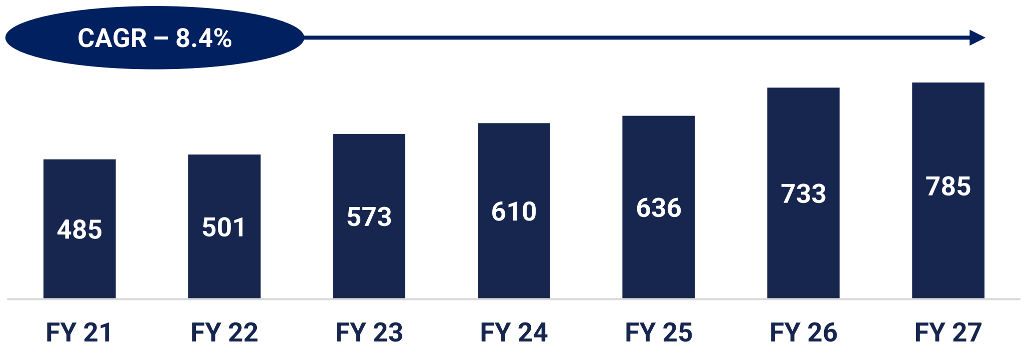
Strong Industry Tailwinds Supporting Long-term Growth

Revolutionizing the Marine Ecosystem

Global Shipbuilding & RM Market (In USD Billion)

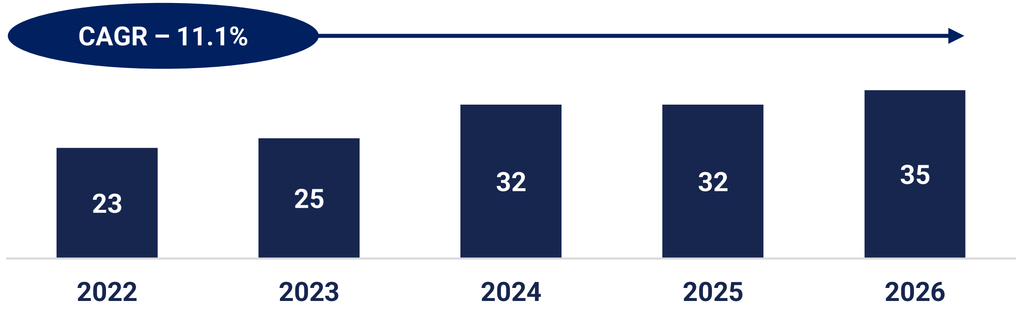


Union Budget allocation for Ministry of Defence (INR ‘000 Cr.)



Indian Shipbuilding & RM Market (In USD Billion)

Indian Navy Budget Allocation (INR ‘000 Cr.)



India’s Union Budget continues to prioritize defence and naval modernization, reinforcing long-term capital allocation visibility. Union Budget 2026–27 boosts defence outlay to a record ₹7.85 lakh crore, supporting modernization and capability expansion. Naval Allocation is growing at a higher CAGR then the overall defence budget highlighting the critical focus on maritime dominance.

Source - SMC Research, Union Budget, NSO figures

4 CUSTOMER OVERVIEW

KRASNY DEFENCE TECHNOLOGIES LTD

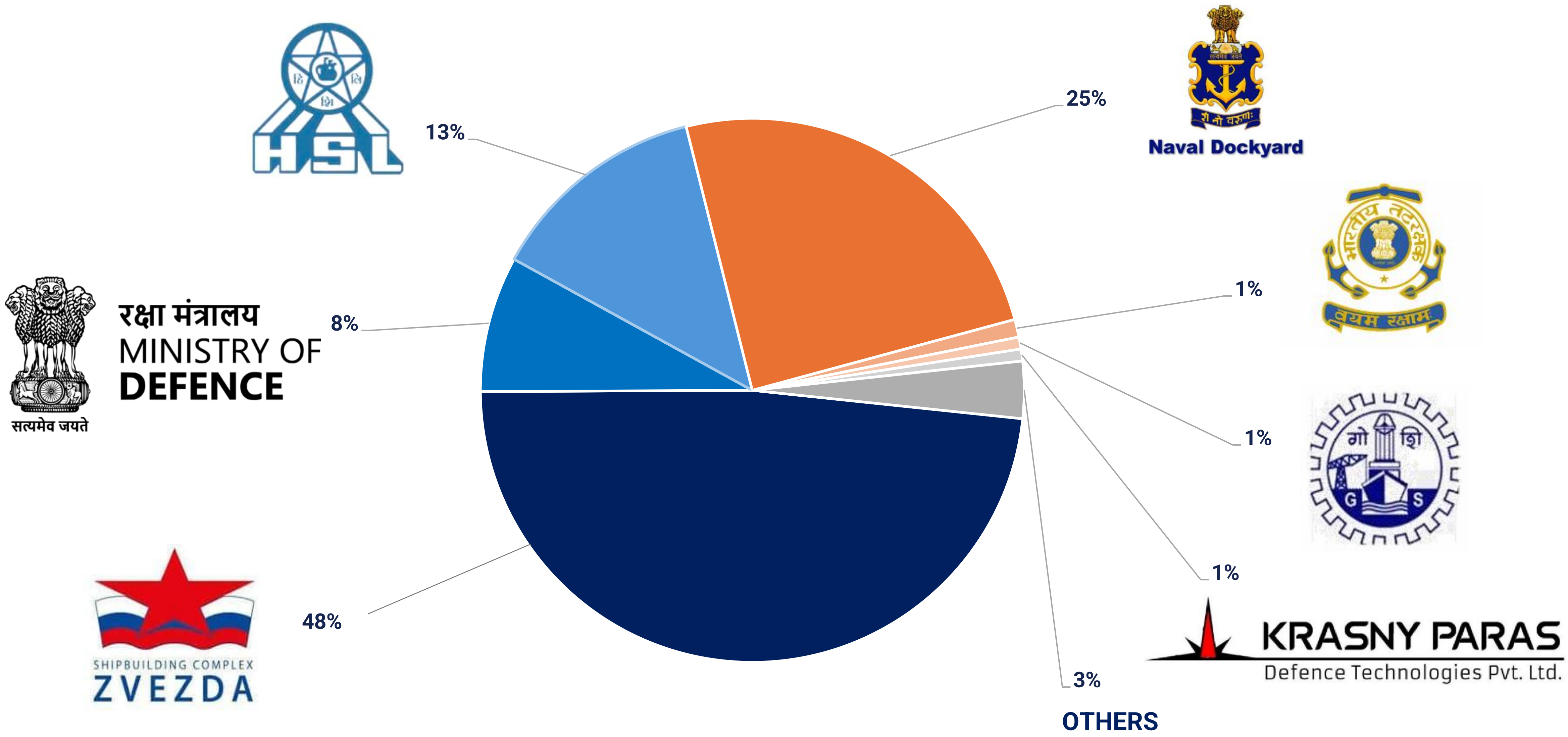
Long-standing Relationship with Reputed Clients

Indian Navy 25 Years	Indian Airforce 25 Years	MDL 25 Years	HSL 25 Years	MOC 10 Years
Indian Coastguard 25 Years	Goa Coastguard 25 Years	Bharat Electronics 25 Years	HAL 15 Years	Sadhav Offshore 10 Years
Indian Army 25 Years	GRSE 25 Years	Cochin Shipyard 20 Years	SSK Zvezda 02 Years	

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Revenue Segmentation (FY 25) – Customer Wise



Source - SMC Research, Management Discussion

5

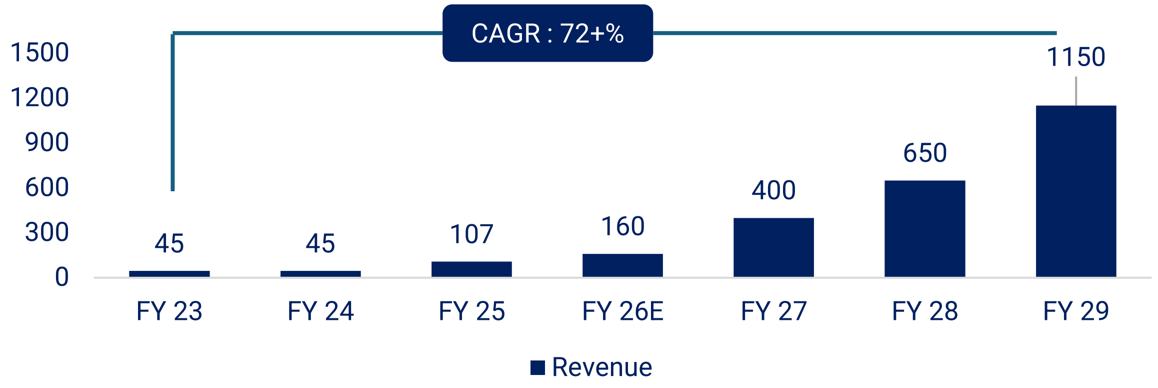
Financial Overview

KRASNY DEFENCE TECHNOLOGIES LTD

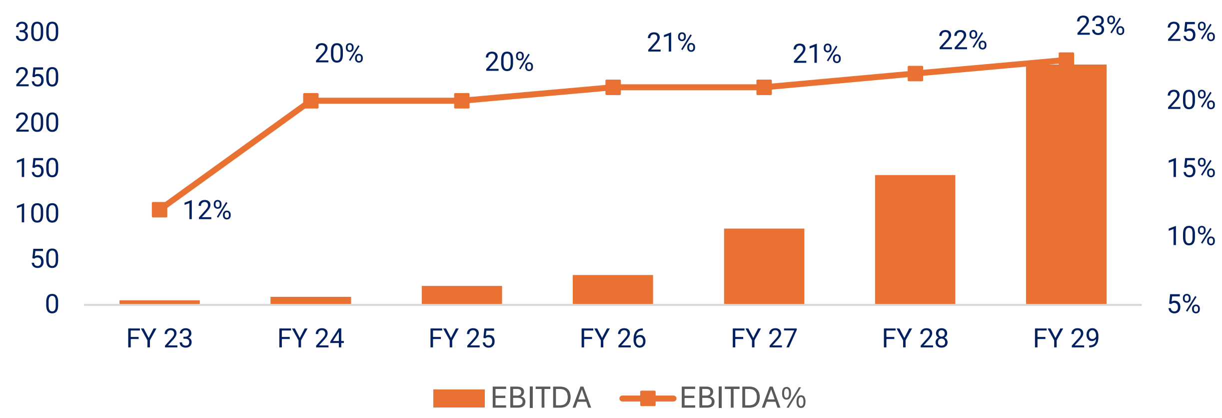
Financial Overview

Multi-year contracted revenues ensuring predictable cash flows

Revenue



EBITDA & EBITDA Margin



Note - Amount in INR Crores unless otherwise specified

Source - SMC Research, Management Discussion

Particulars*	FY 25	FY 26	FY 27	FY 28	FY 29
Revenue	**107**	**160**	**400**	**650**	**1150**
Growth %	*-*	*49.2%*	*150%*	*62.5%*	*76.9%*
Gross Margin %	**34.1%**	**28.3%**	**26.5%**	**26.9%**	**27.6%**
EBITDA %	**19.9%**	**20.9%**	**21.5%**	**22%**	**23%**
EBITDA	**21**	**34**	**86**	**143**	**265**
Fixed Assets	**9**	**23**	**52**	**68**	**65**
Debt on Balance Sheet**	**0**	**6**	**143**	**115**	**85**
OCPS	**21.5**	**21.5**	**-**	**-**	**-**
Receivables (Unbilled Income)***	**52**	**30**	**50**	**65**	**92**

**Projections include fund infusion*

***Pertains to Structured Credit debt raised and overdraft*

****Pertains to services completed but invoice pending to be raised due to navy year-end reallocation of funds process. Also, includes unbilled income in respect of shipbuilding services provided to Zvezda due to similar reason.*

Note – Amounts as on Dec 31, 2025

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KRASNY DEFENCE TECHNOLOGIES LTD

Robust Order Book with Assured Pipeline

Multi-year contracted revenues ensuring predictable cash flows

Order Book Signed till December 2025

Sr. No	Order	Order Signing	Order Value	Delivery Period in months	Delivery Date	Payment Date	Expected Realization In FY 27
1	Valsura (Fregat Radars)	July 2025	232.0	18	FY 27	FY 27	197.2
2	Weapon Spares (Russian Imports)	Nov 2025	114.0	12	FY 27	FY 27	114.0
3	Russian Modules repairs	Oct 2025	2.3	16	FY 27	FY 27	2.3
4	DPRO Spares (Russian Imports)	Dec 2025	159.7	12 18	FY 27, 28	FY 27, 28	103.8
5	Manufacturing (Doors & Hatches)		19.1		FY 26, 27	FY 26, 27	14.1
6	Manufacturing (RSU)		1.8		FY 26	FY 26	-
7	Ship Repair & Refit		42.2		FY 26	FY 26	-
8	Outfitting & NDT		10.1		FY 26	FY 26	-
9	Export of service (L)		50.1				-
10	Export of service (Hull)		91.5		FY 27	FY 26, 27	41.5
11	Export of Services (Painting)		20.0				-
	Total Order Book Signed		**742.8**				**472.9**

Note - Amount in INR Crores unless otherwise specified, Sr. No 5 to 11 are ongoing services rendered

Source - SMC Research, Management Discussion

KRASNY DEFENCE TECHNOLOGIES LTD

Robust Order Book with Assured Pipeline

Multi-year contracted revenues ensuring predictable cash flows

Imminent New Order Signings

Sr. No	Order	Order Signing	Order Value	Delivery Period in months	Delivery Date	Payment Date	Expected Realization In FY 27
1	DPRO spares	Before Apr-26	88.8	12	FY 28	FY 28	-
2	Ship Repairs / Refit	Before Apr-26	6.0		FY 27	FY 27	6.0
3	Manufacturing (Windows)	Before Apr-26	4.0		FY 27	FY 27	4.0
4	Export of Services (L)	Before Apr-26	30.0	-	FY 27, 28	FY 27, 28	12.0
5	GSL	Before Apr-26	5.0		FY 27	FY 27	5.0
6	Repair of Russian Modules	Before Apr-26	5.0		FY 27	FY 27	5.0
	Total Order book expected to be signed		**138.8**				

Note - Amount in INR Crores unless otherwise specified

Source - SMC Research, Management Discussion

KRASNY
DEFENCE TECHNOLOGIES LTD

Robust Order Book with Assured Pipeline

Multi-year contracted revenues ensuring predictable cash flows

Pipeline

Sr. No	Order Description	Segment	Order Value	Duration (in years)	Probability of Order	Basis of Probability	Current Status	Expected timeline of signing order	FY 28	FY 29	FY 30	FY 31
1	Upgrade of Fregat Radars onboard 10 Naval platforms	Make in India	2,000	5	100%	Sole Bidder	Inquiry raised by Indian Navy and BQ to be submitted by Mid Feb 26	Dec-26	-	400	400	400
2	Supply of Russian Spares to DWE	LCS	619	1	100%	Sole Bidder	Tender submitted for 435 Cr. BQ Submitted for 184 Cr.	Dec-26	207	206	206	-
3	Supply of Russian Spares to DWE	LCS	250	3	100%	Sole Bidder	Tender Submitted	Oct-26	-	-	100	150
4	Supply of 14 nos Active Towed Array Sonar for various naval platforms	Make In India	4,000	7	High	Only 2 Bidders & Other bidder struggling in Field Testing	Field testing to be completed in Feb 26	Aug-26	-	515	515	515
5	Supply of Spares to DPRO	LCS	500	5	High	Historically won tender for 75% of items bided for	Inquiry yet to be received but pipeline is based on past trend & requirement		88	100	100	100
6	Ship Repairs & Refits	Ship Repairing	220	4	High	Repeated contracts based on the service provided	Inquiries received in Jan 26	-	55	55	55	55
	Export of Shipbuilding Services to Russia	Russian Shipbuilding	200	3	High	Currently 100% manpower utilized and Zvezda has inquired for additional manpower	Inquiries received from Zvezda in Jan 26	Jul-26	100	100	-	-
	Pipeline already bided for/Revenue from Current Pipeline		**7,789**						**450**	**1,376**	**1,376**	**1,220**
7	Additional small orders across the 5 segments		473	-	Moderate to High	Additional recurring orders expected from long term customers						
8	New orders expected after FY 28		4,000	-	Moderate							
	Total Pipeline		**12,262**									

Note - Amount in INR Crores unless otherwise specified

Source - SMC Research, Management Discussion

6 FUNDING OVERVIEW

KRASNY
DEFENCE TECHNOLOGIES LTD

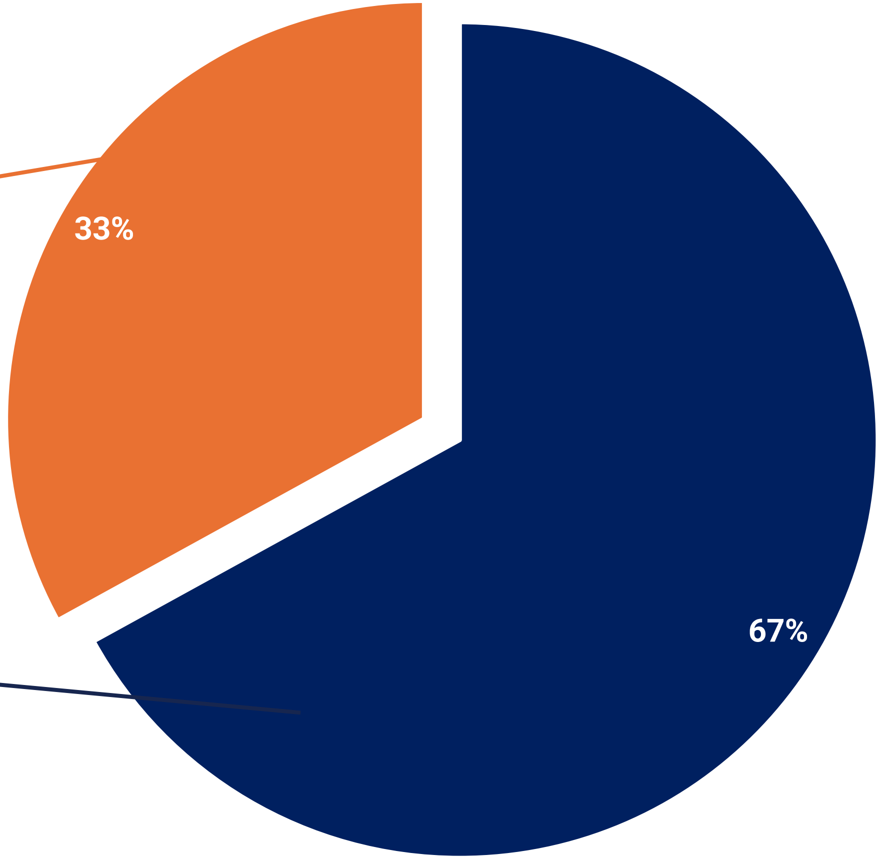
Usage of Funds

Capital Expenditure ~ INR 50 Cr.

- Capital expenditure for : -
    - Expansion and development of facilities in Pune, Vizag & Mumbai
    - Purchase of Plant & Machinery
- To be deployed within 12 months

Order Fulfilment ~ INR 100 Cr.

- Order Name : - **Valsura**
    - Order Value – **INR 232 Cr.**
    - Gross Margins - ~ **20%**
    - Delivery date – **Dec -26**
    - Payment receipt **– Feb 27/Mar 27**
    - Requirement of funds – Up to INR 100 Cr.
- Other Orders for DWE and DPRO
- Current & Future order fulfilments



Total Requirement – INR 150 Cr.

Source - SMC Research, Management Discussion

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